

METROPOLITAN
TRANSPORTATION
COMMISSION

## Agenda Item 8

Joseph P. Bort MetroCenter 101 Eighth Street Oakland, CA 94607-4700 TEL 510.817.5700 TDD/TTY 510.817.5769 FAX 510.817.5848 E-MAIL info@mtc.ca.gov WEB www.mtc.ca.gov

# Memorandum

TO: Commission DATE: June 20, 2007

FR: Deputy Executive Director

RE: <u>SB 375 (Steinberg)</u> — <u>Greenhouse Gas Reductions: Regional Transportation Plans</u>

## **Description**

SB 375 (Steinberg) provides a framework for the transportation sector to begin implementing the greenhouse gas (GHG) reduction targets established by the Legislature last year in AB 32 (Nuñez). The bill has a three-part approach: 1) modifying guidelines for transportation models to better account for how changes in transportation investments and land use affect travel behavior; 2) conforming long-range transportation plans to be consistent with state targets for reducing GHG emissions; and 3) creating incentives for infill development by providing a streamlined California Environmental Quality Act (CEQA) review process for projects that meet specified criteria.

**Recommendation:** Support (as proposed to be amended)

#### Discussion

SB 375 requires that regional transportation plans (RTPs) contain a preferred growth scenario that meets reduction targets in greenhouse gas (GHG) emissions by 2020 and 2050 that the California Air Resources Board (CARB) would provide each region by an unspecified date. In addition, and beginning in 2009, the bill also requires that State Transportation Improvement Program (STIP) expenditures be consistent with the preferred growth scenario. However, the bill also contains language that postpones this consistency finding for STIP projects and Corridor Mobility Improvement Account (CMIA) projects until 2012.

While GHG reductions are a relatively new concept for transportation planners, in response to AB 32, MTC plans to include an assessment of GHG reduction targets as a key component of Transportation 2035 plan that is now underway. In addition, MTC will examine GHGs in the environmental impact analysis of Transportation 2035. With transportation contributing the largest share of GHGs of any sector of the economy (approximately 40-50 percent in the Bay Area), regional transportation planning agencies have an important role to play in helping the state achieve the ambitious targets set by AB 32. While many expect technological improvements in vehicles and fuel to provide the lion's share of the reductions, it is also widely recognized that other changes will be necessary as well.

MTC staff has consulted the county CMA Directors on the challenges of implementing this proposed legislation and we have asked for further changes from the bill author to meet these concerns.

## **Proposed Amendments**

MTC staff has raised several concerns with the June 4 version of the bill, as noted below:

- 1) The bill requires that regional agencies "inventory the region's emissions of greenhouse gases and establish measures to reduce these emissions by an amount consistent with targets developed by the board." This language creates a potential problem if regional agencies are unable to demonstrate that they can reach the targets, using all of the tools at their disposal. The author has agreed to language that would require regional agencies to reduce the emissions "to the greatest extent feasible" and provides a process for the regional agency to propose other measures that could help bridge the gap.
- 2) While the bill contains language that "grandfathers" in projects that are in the STIP and the CMIA, it should provide similar protection for projects that funded by local funds, such as voter-approved sales tax measures. The best way to achieve this would be to make reference to the federal transportation improvement program, instead of the STIP, since it is the most comprehensive programming document. The author has agreed to make this change.
- 3) Alameda County CMA raised a concern that the bill could require local agencies, in addition to RTPAs, to adopt costly transportation models. They have also raised concerns about a phrase in the bill that requires future STIP projects be consistent with the preferred growth scenario. MTC staff has been able to reach agreement with staff from Senator Steinberg's office to address each of these concerns.

While these amendments are not yet incorporated into the bill, we appreciate the author's willingness to address our concerns, and recommend that the commission take a position of "support as proposed to be amended." We would then be able to convey our formal support of SB 375 once these amendments appear in print.

### **Known Positions**

Support

American Farmland Trust American Lung Association of California California League of Conservation Voters (sponsor) New Voice of Business Coalition for Clean Air

Defenders of Wildlife

Endangered Habitat League **Environment California** 

Oppose

Associated General Contractors of California California Business Properties Association California Major Builders Council Consulting Engineers & Land Surveyors of Calif. Transportation California

Environmental Entrepreneurs (E2)

Natural Resources Defense Council (cosponsor)

Planning & Conservation League

Sacramento Council of Governments (in concept)

Sierra Club California

Southern California Association of Governments

Trust for Public Land

California Building Industry Association California Chamber of Commerce

California Manufacturers & Technology Assoc.

Resource Landowners Coalition

Therese W. McMillan